

NOTICE OF HEARING AUGUST 20, 2008

Notice is hereby given of a public hearing regarding the proposed acquisition of control of Quanta Specialty Lines Insurance Company, an Indiana domiciled insurance company and a wholly owned subsidiary of Quanta Capital Holdings Ltd. by Catalina Holdings (Bermuda) Ltd. and Catalina Alpha Ltd. The office of Quanta Specialty Lines Insurance Company is located at 48 Wall Street, 14th Floor, New York, New York 10005.

Date: August 20, 2008

Time: 1:00 p.m. (Indianapolis time).

Place: Indiana Department of Insurance, 311 West Washington Street, Suite 300,
Indianapolis, Indiana 46204-2787.

The hearing will be held pursuant to Indiana Code § 27-1-23-2 and conducted as required by the statute as supplemented by the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.* The hearing and subsequent determination shall be subject to Indiana Code §§ 27-1-23-2 and 4-21.5-3.

Jim Atterholt, Commissioner of the Indiana Department of Insurance, or the Commissioner's duly appointed designee, will preside as the administrative law judge at the hearing.

Issues to be addressed at the hearing include:

- (1) whether the acquisition of control would tend to affect adversely the contractual obligations of the domestic insurer or its ability and tendency to render service in the future to its policyholders and the public;
- (2) whether the effect of the acquisition of control would be substantially to lessen competition in any line of insurance business in any section of this state or tend to create a monopoly therein;
- (3) whether the financial condition of any acquiring party is such as might jeopardize the financial stability of the domestic insurer or of any corporation controlling such insurer, or prejudice the interest of its policyholders;
- (4) whether the plans or proposals for the domestic insurer are fair and reasonable to policyholders of the domestic insurer and in the public interest; and
- (5) whether the competence, experience, and integrity of those persons who would control the operation of the domestic insurer are such that the acquisition of control would tend to affect adversely the general capacity or intention of the domestic insurer to transact the business of insurance in a safe and prudent manner.

Connie Ridinger, Chief Examiner of the Indiana Department of Insurance, 311 West Washington Street, Suite 300, Indianapolis, Indiana 46204-2787, has been designated to provide information regarding this transaction to all interested persons upon request. A copy of the Form A Statement, the supplements and amendments thereto, and other related materials filed with the Commissioner by the acquiring party and that are part of the public record are available at the office of the Indiana Department of Insurance for all interested persons to examine. Information concerning the hearing, schedule and procedures may be obtained by telephoning Ms. Ridinger at (317) 232-2390.

Any member of the public interested in the proposed acquisition of control may attend the hearing. Any parties, policyholders of Quanta Specialty Lines Insurance Company or other persons whose interests may be affected by the proposed acquisition of control shall have the right to appear and become a party to the proceeding. In accordance with Indiana Code § 4-21.5-3-21, any such person wishing to appear and become a party must submit to the Indiana Insurance Commissioner "Attention Ms. Connie Ridinger" at the above address, a petition for intervention setting forth facts demonstrating the person's standing to become a party under Indiana Code § 27-1-23-2(j). Any petition for intervention must be submitted to the

Indiana Insurance Commissioner, with copies sent via mail to all parties named in the record of proceeding. Each party shall have the right pursuant to Indiana Code § 27-1-23-2(j) to present evidence, examine and cross-examine witnesses, and offer oral and written arguments and, in connection therewith shall be entitled to conduct discovery proceedings in the same manner as provided in the Indiana Rules of Trial Procedure. A party who fails to attend or participate in the hearing, or other later stage of this proceeding may be held in default or have a proceeding dismissed under Indiana Code § 4-21.5-3-24.

By Order of the Indiana Department of Insurance

Jim Atterholt, Commissioner

Indianapolis, Indiana
July 30, 2008